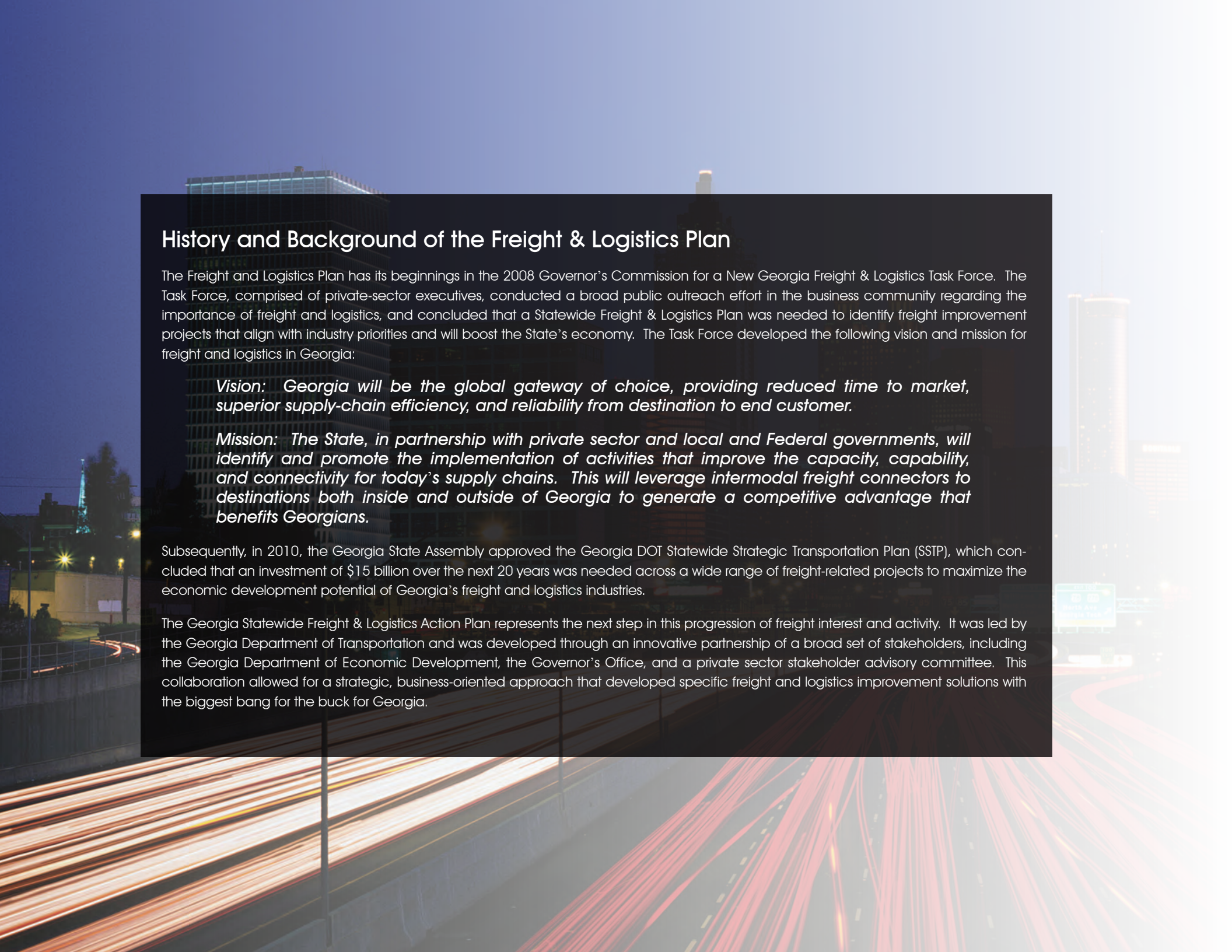
Georgia Statewide
Freight & Logistics Action Plan

Georgia Department of Transportation
Office of Planning

Georgia®



History and Background of the Freight & Logistics Plan

The Freight and Logistics Plan has its beginnings in the 2008 Governor's Commission for a New Georgia Freight & Logistics Task Force. The Task Force, comprised of private-sector executives, conducted a broad public outreach effort in the business community regarding the importance of freight and logistics, and concluded that a Statewide Freight & Logistics Plan was needed to identify freight improvement projects that align with industry priorities and will boost the State's economy. The Task Force developed the following vision and mission for freight and logistics in Georgia:

> *Vision: Georgia will be the global gateway of choice, providing reduced time to market, superior supply-chain efficiency, and reliability from destination to end customer.*

> *Mission: The State, in partnership with private sector and local and Federal governments, will identify and promote the implementation of activities that improve the capacity, capability, and connectivity for today's supply chains. This will leverage intermodal freight connectors to destinations both inside and outside of Georgia to generate a competitive advantage that benefits Georgians.*

Subsequently, in 2010, the Georgia State Assembly approved the Georgia DOT Statewide Strategic Transportation Plan (SSTP), which concluded that an investment of $15 billion over the next 20 years was needed across a wide range of freight-related projects to maximize the economic development potential of Georgia's freight and logistics industries.

The Georgia Statewide Freight & Logistics Action Plan represents the next step in this progression of freight interest and activity. It was led by the Georgia Department of Transportation and was developed through an innovative partnership of a broad set of stakeholders, including the Georgia Department of Economic Development, the Governor's Office, and a private sector stakeholder advisory committee. This collaboration allowed for a strategic, business-oriented approach that developed specific freight and logistics improvement solutions with the biggest bang for the buck for Georgia.

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Highlights of Freight & Logistics Action Plan

- Georgia has a world-class freight infrastructure that is critical to the State's economic competitiveness. It was developed through several decades of outsized investment by both the public and private sector. Over the last 20 years, this investment has decreased, and this has in part been a contributor to the economic stagnation of Georgia relative to the rest of the U.S. since 2000.

- The Georgia Freight & Logistics Action Plan determined that by investing $18-$20 billion over the next 40 years in freight improvement projects, the State could generate over $65 billion in additional economic output and thousands of new jobs. This is consistent with the conclusion of the GDOT Statewide Strategic Transportation Plan and the Investing in Tomorrow's Transportation Today "IT3" initiative.

- The deepening of the Savannah Harbor is the top freight priority for Georgia. The importance of this project for Georgia's economic competitiveness was reinforced both through technical analysis conducted by the U.S. Army Corps of Engineers and several rounds of input from the private sector as part of the Freight & Logistics Action Plan.

- An average of 70 percent of all trucks entering Georgia have a final destination somewhere in the State, and the vast majority of goods moved in Georgia are carried by truck. Interstate mobility is the critical need for Georgia's trucking industry, and adding capacity to I-85 between the Atlanta metropolitan region and the South Carolina border is the greatest need in the State's long-haul corridor network.

- Freight rail is funded and operated by the private sector, but the efficiency of its operation has a tremendous impact on the competitiveness of shippers in Georgia. Improvements in the State's rail track and rail terminals are needed over the long haul to continue to move goods effectively using the rail mode.

- Air cargo moves a very small fraction of the overall tonnage in the State. However, it is typically high-value, time-sensitive goods that can form a critical link in shipper supply chains. Georgia will need to maintain adequate access to air cargo facilities to ensure that this mode operates effectively.

- Funding the Freight & Logistics Action Plan will be a challenge. The recently enacted Transportation Investment Act of 2010 will allow for Georgia's general public to vote on a list of projects that includes a portion of the recommended freight improvement projects identified in the Freight & Logistics Action Plan. However, the vast majority of recommended freight improvement projects will require alternative funding sources.

Freight is Critical to Georgia Economy

Freight is a critical component of Georgia's economy. Five freight-related economic sectors produced nearly $100 billion of output in 2007 – 25 percent of Georgia's $380 billion of gross state product. These sectors are heavily dependent on highways, railroads, ports, and airports to receive goods from suppliers and deliver goods to customers. The growth of these freight-related sectors will be directly related to the quality of improvement to the States' freight transportation infrastructure.

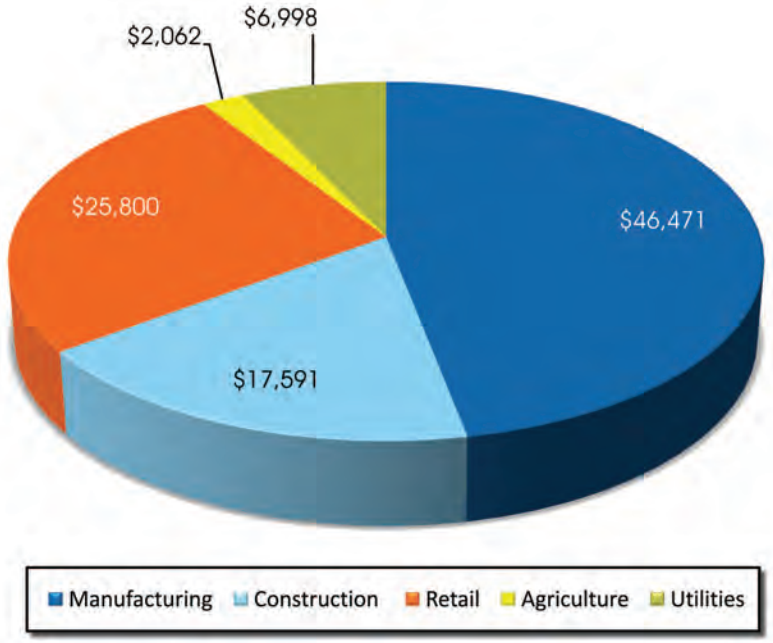
The Georgia Statewide Strategic Transportation Plan stated that:

> *"For nearly half a century, Georgia's economy has created prosperity for citizens and businesses throughout the State, and the decision to invest and create world-class transportation infrastructure clearly was central to that success."*

From 1960 to 1985, Georgia consistently invested more of its GDP in transportation infrastructure than the rest of the United States. During this period, Georgia developed a world class freight infrastructure network across all freight modes, and the State's economy experienced rapid GDP expansion. However, beginning in the late 1980s, Georgia began to under invest in its transportation system relative to the rest of the U.S. This underinvestment has contributed to underperformance of the Georgia economy in the post-2000 period relative to other states.

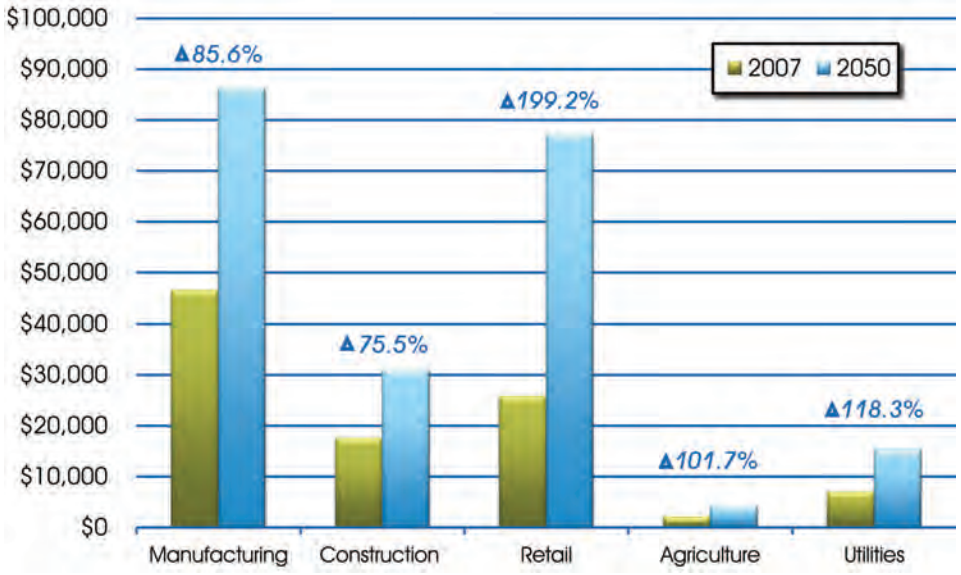
The challenge for Georgia is whether or not it will make investments today to meet the freight transportation demand forecast for the future. If sufficient investments are made, there is the potential for increased economic growth beyond what is forecast and an opportunity to continue the State's economic leadership. In contrast, insufficient investment will lead to economic challenges in Georgia.

Economic Output by Sector in Georgia
2007 ($ thousands)



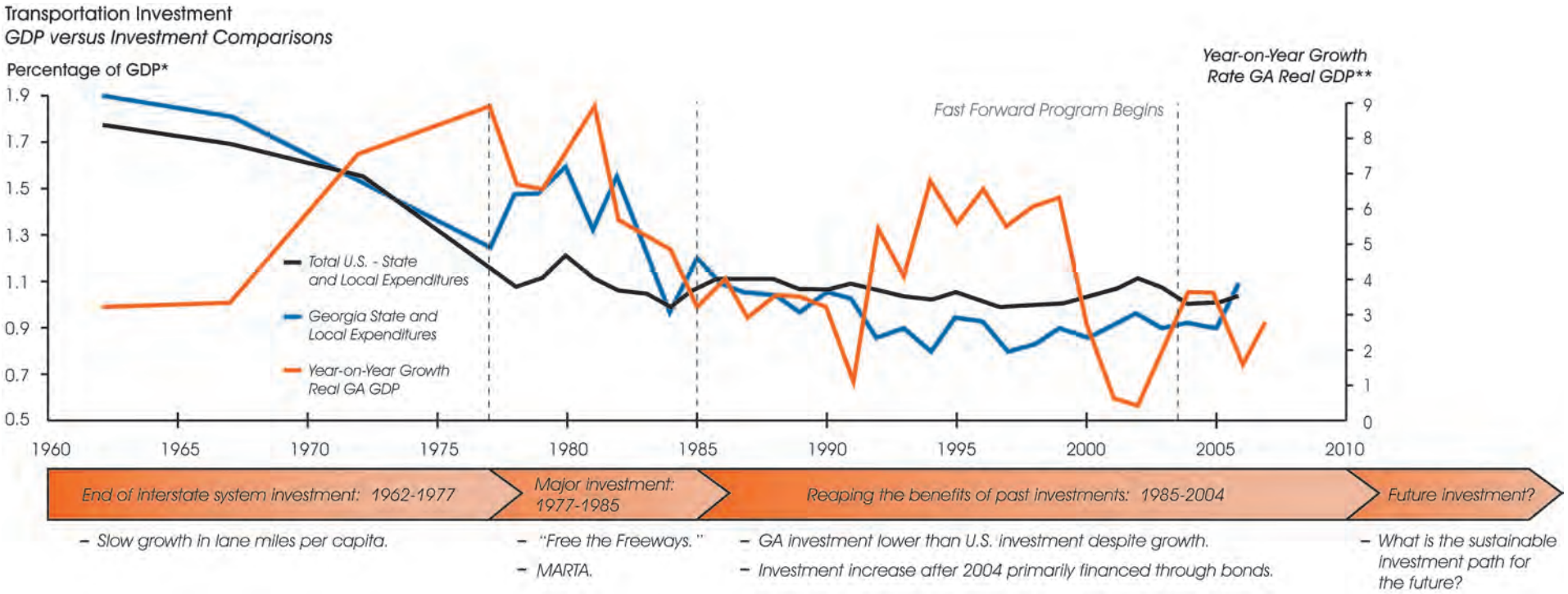
Source: Moody's Economy.com.

Potential Growth in Key Freight-Related Sectors ($ millions)



Source: Moody's Economy.com.

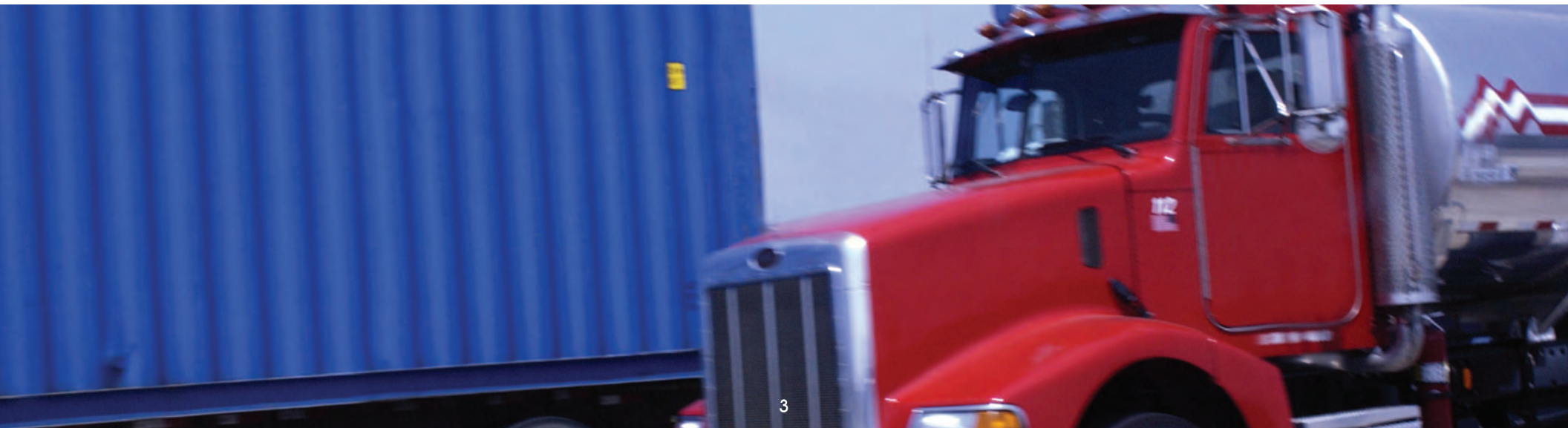
Georgia's Transportation Investment Relative to GSP



Source: U.S. Bureau of Economic Analysis, U.S. Census Bureau, Georgia Department of Audits and Reports (FY 2003-2006).

* *Used five-year CAGR to estimate 2001 and 2003 local expenditures data.*

** *GA real GDP growth rate assumptions: 1962-1977 – used 30-year average CPI rate forecasts from 2000-2030 and subtracted fro nominal GA GDP growth rate from 1962-1977; 1978-2007 – used real GDP growth rate.*



Georgia's Word Class Freight Infrastructure

Georgia has a world class freight and logistics infrastructure with many nationally and internationally significant features. The business television network, CNBC, has ranked Georgia's transportation network as the second best in the U.S. for two years in a row.

Georgia's "corner store" location in the Southeast positions the State to serve as a gateway to major economic activitiy centers. Georgia is a gateway to the nation's fourth largest state, Florida. It is also a gateway state connecting several of the more regional southeast traffic. Georgia is also a gateway to international markets via the Port of Savannah.

The Port of Savannah is the fourth busiest container port in the U.S. and the fastest growing port in the country. It also recently became the second busiest *export* container port in the U.S. behind the Port of Long Beach.

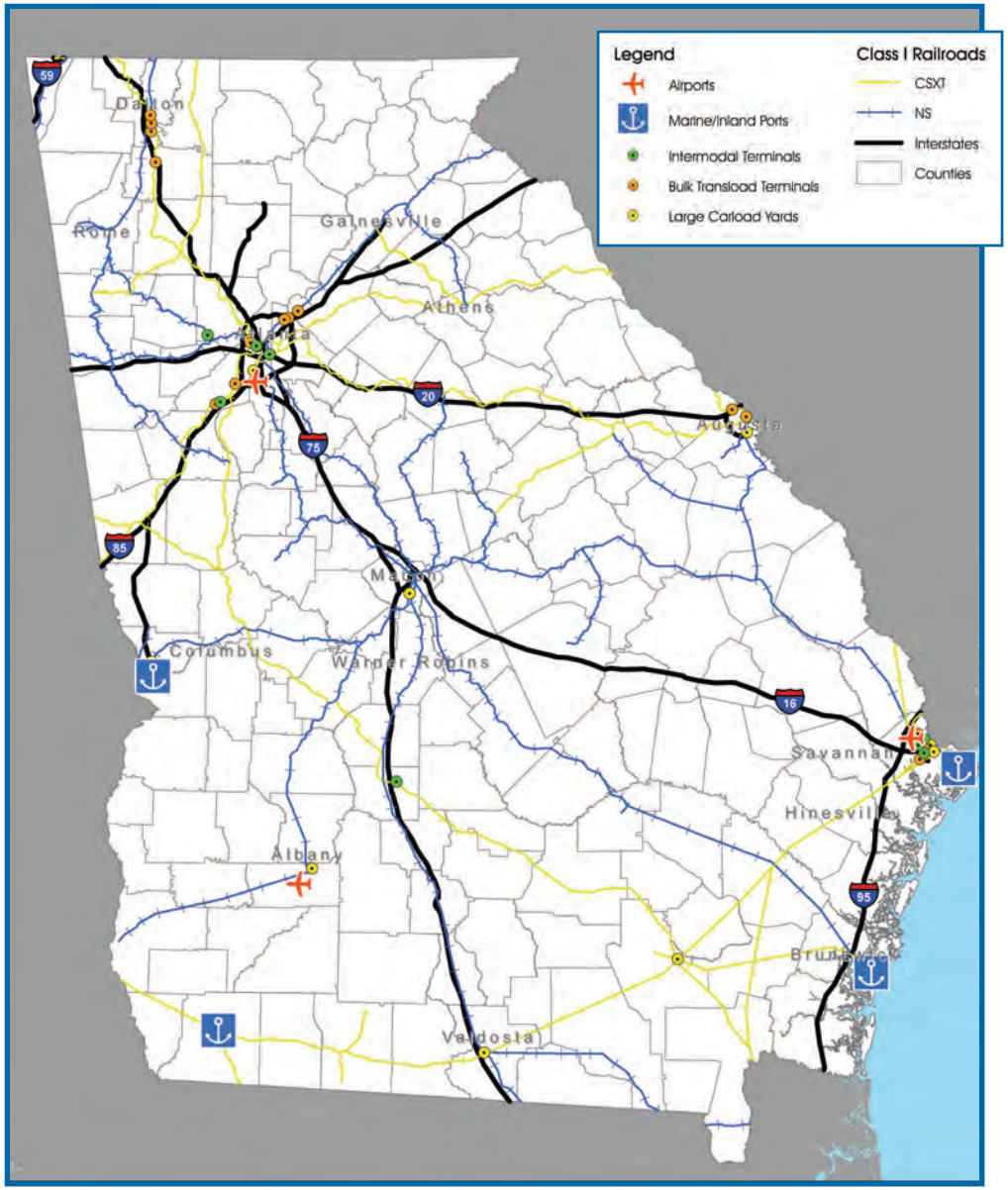
Georgia serves as the Southeast hub of operations for both of the Class I railroads in the eastern half of the U.S. (CSX and Norfolk Southern). Both Class I railroads have major intermodal and carload rail yards in Atlanta and Savannah, and Georgia is also home to 25 independent and short-line operators.

The Georgia Interstate system consists of 1,243 miles, making it the ninth largest in the U.S. The overall road network also serves as the last mile connector for the State's major freight facilities.

Aviation is also world class. Hartsfield-Jackson Atlanta International Airport, the busiest passenger airport in the world, is also the 11th busiest in the country in terms of air cargo.

Georgia's largest metropolitan region, Atlanta, is the fifth largest in the U.S. in terms of total freight flows, and second only to Chicago as an inland freight hub.

Location of Key Georgia Freight Features



Summary of Benefits and Costs for Recommended Port Improvements

Improvement	Cost ($ million)	Benefit to Georgia
Deepen Savannah Harbor	550	$2.8 billion in transportation cost savings
Develop Jasper Port	4,000	$9 billion in tax receipts for Georgia and South Carolina

Source: Savannah Harbor Expansion Project General Re-Evaluation Report, December 2011; An Update on the Jasper Ocean Terminal, March 2011.

"This [The Port of Savannah] is a huge economic engine…Bottom line: You need a deeper port"

- U.S. Secretary of Transportation
Ray LaHood

Source: Atlanta Journal Constitution, November 16, 2011.

"This [Savannah port] expansion represents a once-in-a-generation opportunity to significantly enhance Georgia's economic prosperity."

- Chris Gaffney, Chairman, Metro Atlanta Chamber, Supply Chain Leadership Council

Source: Letter to U.S. Army Corps in support of SHEP, December 2010.

Marine Port Strategy

Continued growth of the Georgia economy combined with continued growth in international trade has the potential to increase Georgia's port traffic from its current 2.9 million annual TEUs to over 16 million annual TEUs in 2050. To cost-effectively move these goods, the Savannah River will need to be deepened from 42 feet to 48 feet to accommodate the larger vessels accessing the U.S. following the expansion of the Panama Canal.

The benefits from the deepening of the harbor include $2.8 billion in transportation cost savings for shippers.[1] The transportation cost efficiencies will allow Georgia-based companies to compete more effectively in the global marketplace, increasing expansion and employment opportunities for freight-related companies in the State. **This positive impact on the Georgia economy makes the Savannah Harbor Expansion Project the most important freight improvement project in the Freight & Logistics Action Plan.** The timely completion of the harbor deepening will provide Georgia with a "first mover advantage" relative to several other states – many of which are just beginning to plan harbor deepening projects.

The Port of Savannah is projected to reach capacity around 2020. The states of Georgia and South Carolina are working together to develop a new port in Jasper County to accommodate the continued container growth from 2020 to 2050. The 2011 Jasper Ocean Terminal White Paper estimates that the completion of this new port complex will result in an additional $9 billion in tax receipts for the two states.

[1] 2011 Savannah Harbor Expansion Project Reevaluation Report.

Rail Strategy

Railroads are a key feature of Georgia's freight infrastructure. They are a key piece of the supply chain for many shippers across the State. Both east coast Class I railroads, CSXT, and NS use Atlanta as their hub of operations in the southeast.

Over the last decade, CSXT has made over $800 million of improvements in its rail network in Georgia, including completing their southeast strategy which included improvements in their Atlanta-Birmingham rail track and the Western & Atlantic (W&A) north-south rail track connecting Atlanta to Tennessee. The W&A corridor is leased to CSX from the State through 2019. It is one of the busiest and fastest growing freight rail lines in the State, and preserving the freight capacity of this rail corridor will be critical to continued freight rail mobility for Georgia shippers. Norfolk Southern has started its Crescent Corridor program to improve intermodal travel speeds between the Northeast, Mid-Atlantic, and the Southeast.

In 2007, the American Association of Railroads (AAR) National Rail Freight Infrastructure Capacity and Investment Study estimated that an investment of $148 billion would be needed to meet the forecast demand for rail nationally between 2007 and 2035. Based on the proportion of rail assets in Georgia, this translates to $4-6 billion of rail investment needed between 2012 and 2050. The returns of rail investment have been estimated at 3.3-to-1 for general investment as described in the 2003 AASHTO Freight Rail Bottom Line Report. They have also been estimated to be as high as 16-to-1 for improvements in that involve the development of new intermodal terminals where intermodal facilities do not currently exist.

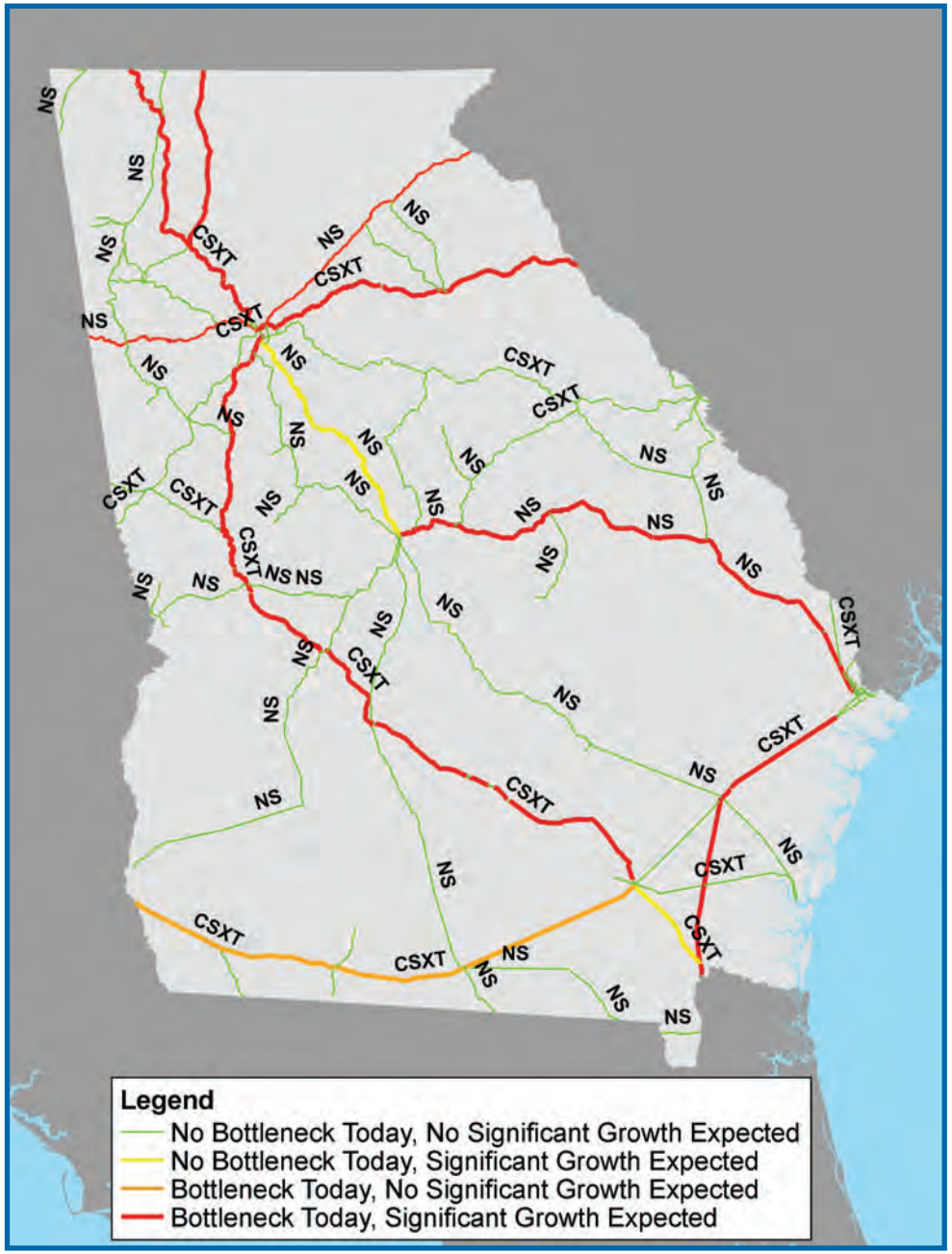
Freight rail infrastructure improvements needed in Georgia can be considered across the following three categories:

- Line haul expansion;
- Expansion of intermodal and carload terminals; and
- Increasing weight limits and vertical clearances.

Return on Investment for Recommended Rail Improvements

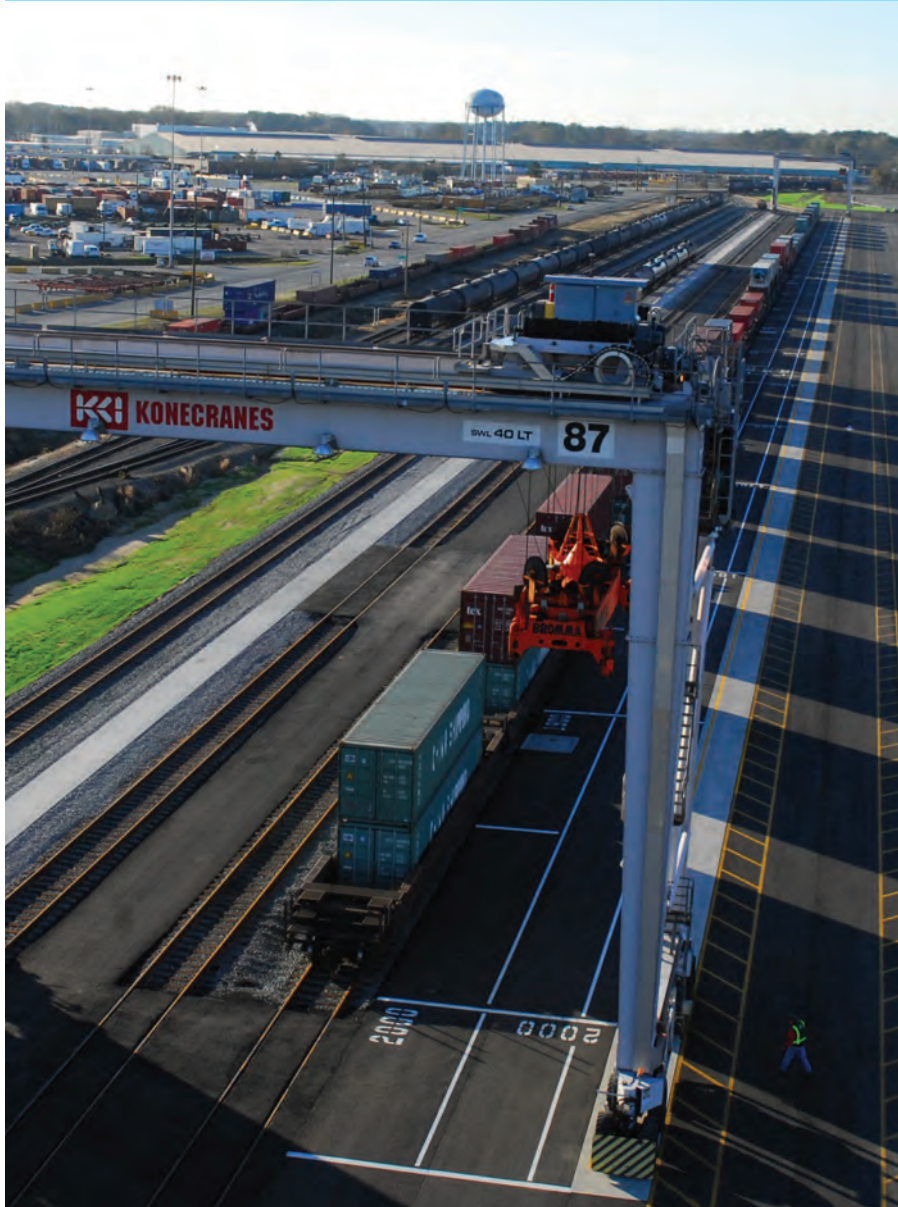
Improvement	Estimated Cost ($ millions)	Increase in GSP ($ millions)
Line Haul Expansion Expansion of Intermodal and Carload Terminals Increasing Weight Limits and Vertical Clearances	4,000 to 6,000	13,200 to 19,800

Line Haul Rail Bottlenecks



Line Haul Expansion Needs

Only five percent of the Class 1 rail lines in Georgia are double track. This is one-half the national average for double track rail lines. Line haul expansion in Georgia would include increasing the State's double track mileage and increasing the amount of passing siding that can be leveraged in the system. Line haul expansion should focus on rail lines that are bottlenecks today and likely to experience significant growth in the future.



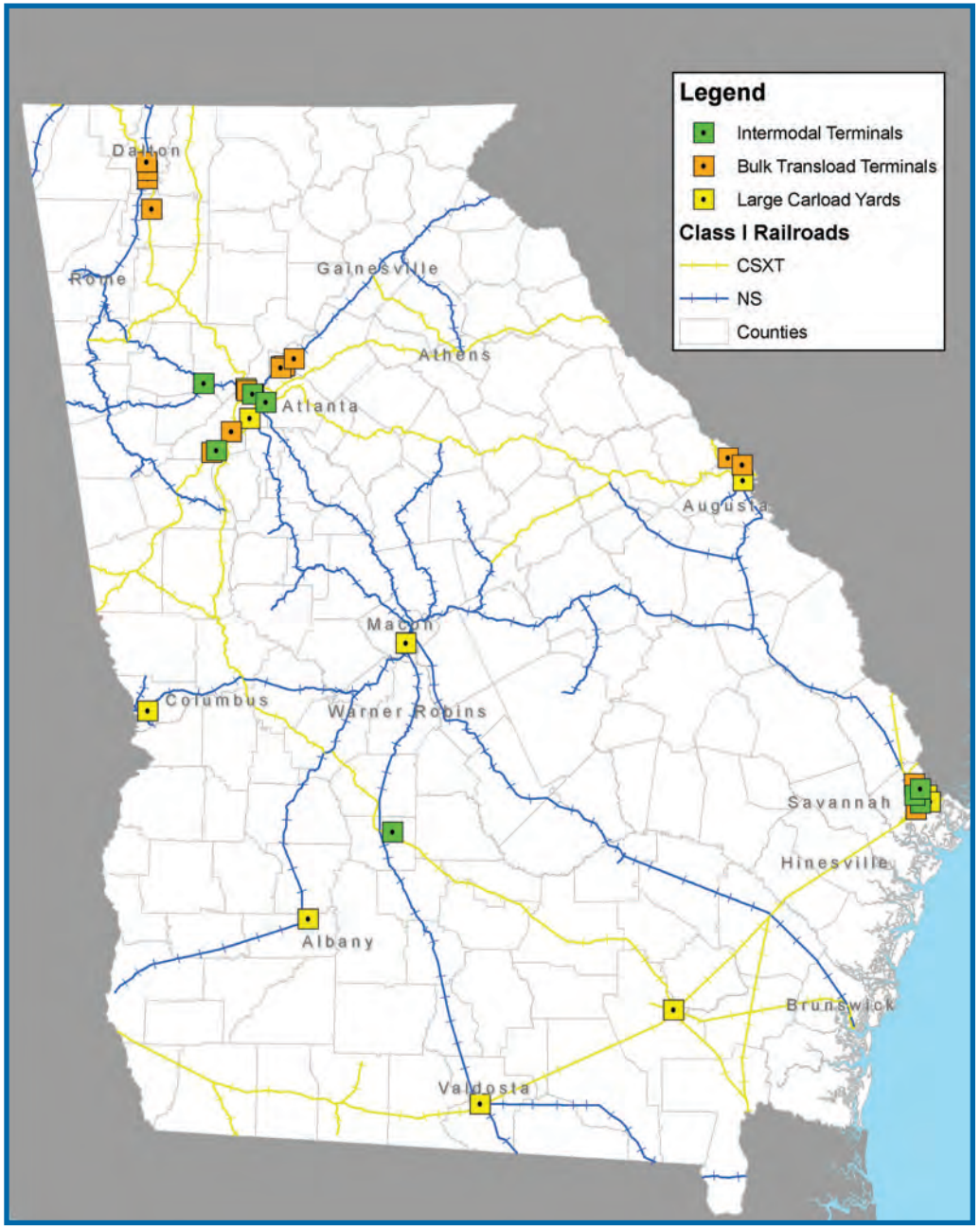
Intermodal and Carload Terminals

Georgia has several critical intermodal and carload terminals, especially in Atlanta, Savannah, and Waycross. To support the continued expansion of the Georgia economy, rail terminals will need to grow larger and more efficient, requiring significant investment.

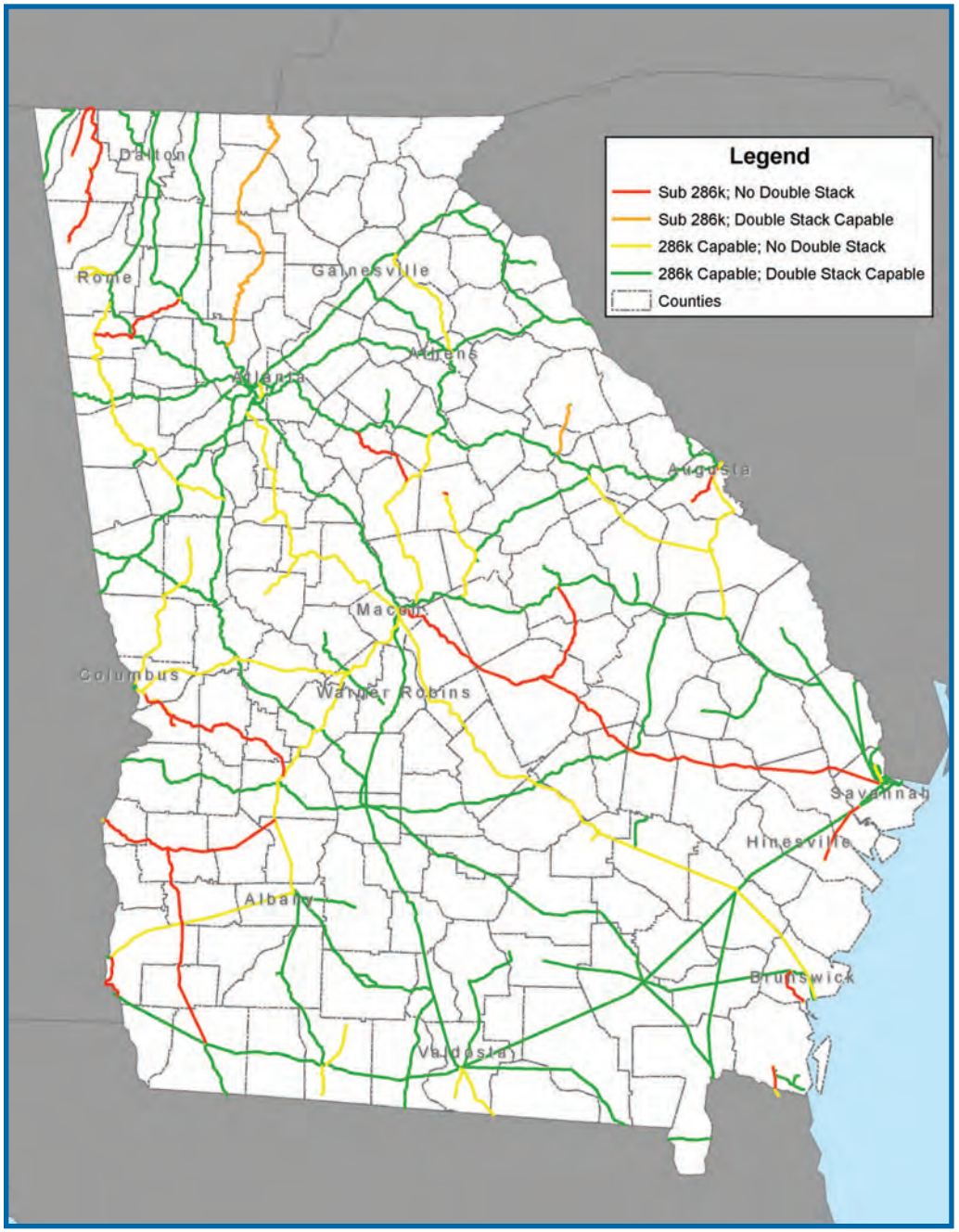
Cordele Intermodal Center

In December 2011, the Cordele Intermodal Center transported its first container to the Port of Savannah. The rail component of this trip is an overnight service provided by two shortline rail operators in conjunction with CSX. GDOT provided funding to fix two rail bridges along the service route. The potential cost savings of this new freight service will be a boon to international shippers located in West Georgia. Additionally, the inland port will be a key feature of regional economic development and recruitment efforts.

Georgia's Rail Terminals



Locations of Weight and Vertical Clearance Issues



Weight Limits and Vertical Clearances

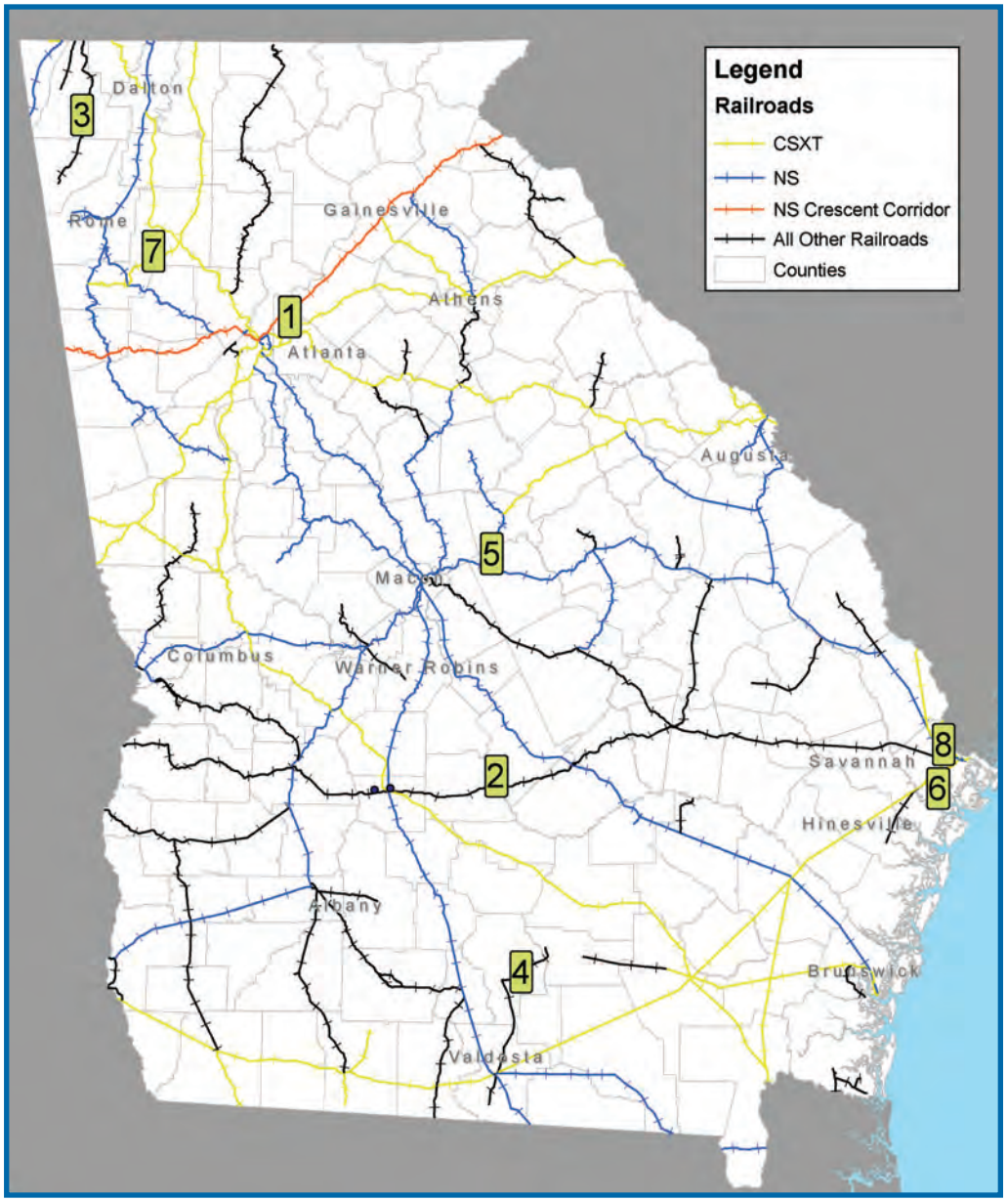
The vast majority of the Class 1 track in Georgia is capable of carrying the industry standard 286,000 pound rail cars and moving double stack containers. However, a few segments of the Class 1 track do not have this capability. Additionally, several portions of the shortline railroad infrastructure need infrastructure improvements to move this industry standard and increased vertical clearances to allow for more double stack options in Georgia.

Near-Term Rail Improvement Projects

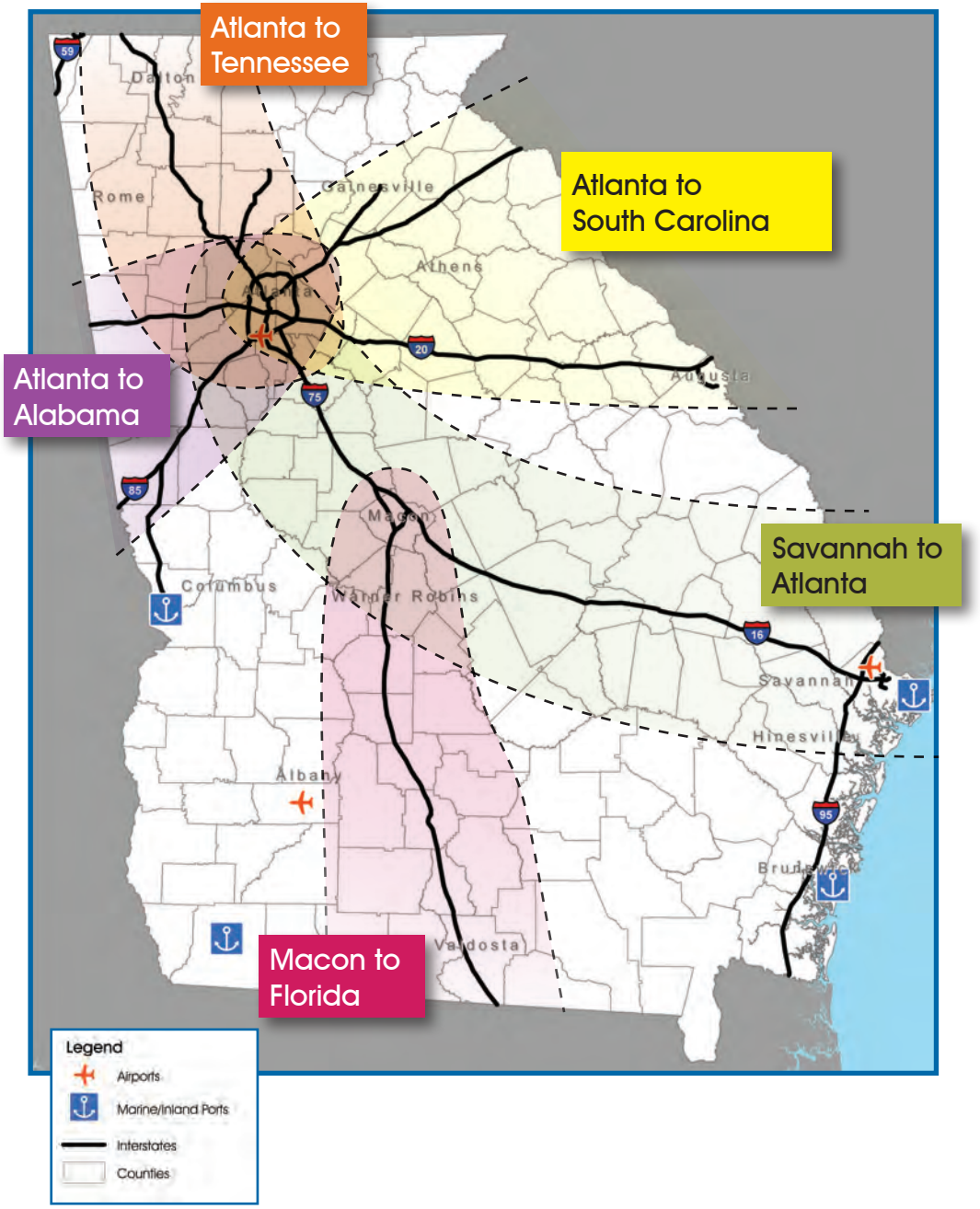
Several projects have been recently completed or are currently underway to ensure that Georgia can carry the throughput necessary to handle future rail freight flows. Examples of these projects include the following:

1. The Crescent Corridor (Norfolk Southern).
2. Ocmulgee and Oconee Rivers Rail Bridge Rehabilitation (Heart of Georgia Railroad).
3. Rehabilitation of mainline from Lyerly to Chattanooga/ Rossville, Tennessee (Chattooga and Chickamauga Railway).
4. Long-term repairs to Alapaha River and Overlfow Bridges (Georgia and Florida Railways).
5. 16,000 foot passing siding track in McIntyre (Norfolk Southern).
6. Upgrade and double track switching lead into Port of Savannah Garden City Terminal (CSX).
7. Build Stilesboro landing track for shipping coal, limestone and gypsum (CSX).
8. Development of the Port Junction Wye Track construction in Savannah (Norfolk Southern).

Location of Near-Term Rail Improvement Projects



Strategic Highway Corridors



Highway Strategy

It is useful to organize the highway network into specific corridors and discuss the improvements needed along each of these corridors. The most significant freight flows in the State can be arranged into the following seven categories:

1. Savannah-to-Atlanta.Corridor.
2. Atlanta-to-Tennessee Corridor – Gateway to the Midwest.
3. Atlanta-to-South Carolina Corridor – Gateway to the Mid-Atlantic and Midwest.
4. Macon-to-Florida Corridor – Connection to U.S.'s Fourth Largest Economy.
5. Atlanta-to-Alabama Corridor.
6. "Through" Freight Corridors.
7. Smaller Urban and Rural Freight Corridors.

Savannah to Atlanta Corridor

This highway corridor is central to freight mobility in Georgia. It connects many of the critical freight assets in the State, including the Port of Savannah, the air cargo facilities at Hartsfield-Jackson Atlanta International Airport, and major rail yards, warehouses, and distribution centers in the Savannah and Atlanta regions. In 2010, there were approximately 2,000 to 3,000 trucks per day moving goods between Savannah and Atlanta.

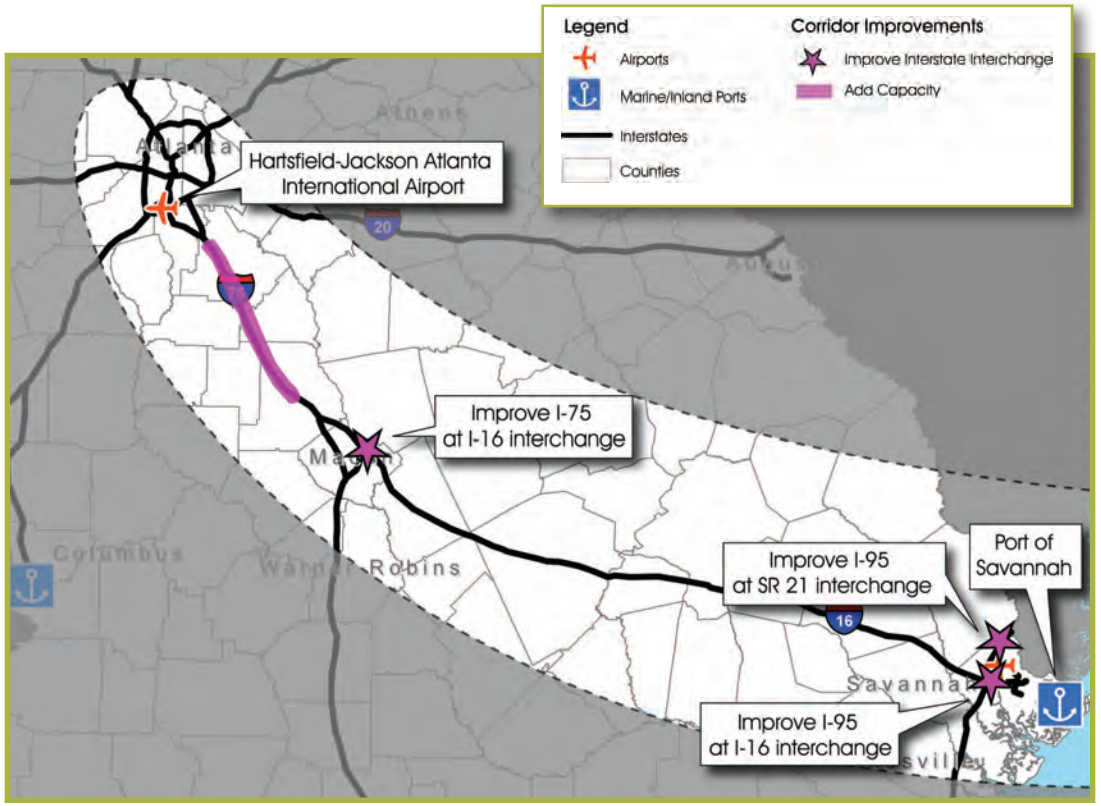
I-16 currently operates free of congestion outside the Savannah region and it has sufficient capacity to handle the increased truck traffic that would result from continued port growth. However, I-75 between Macon and Atlanta is already congested. It will need new capacity to handle the growth in truck traffic from the port, in addition to the growing Atlanta commuter traffic and long-haul traffic traveling along I-75. Adding a lane in each direction to handle this additional long-haul traffic will enable the facility to operate free of significant congestion though 2050.

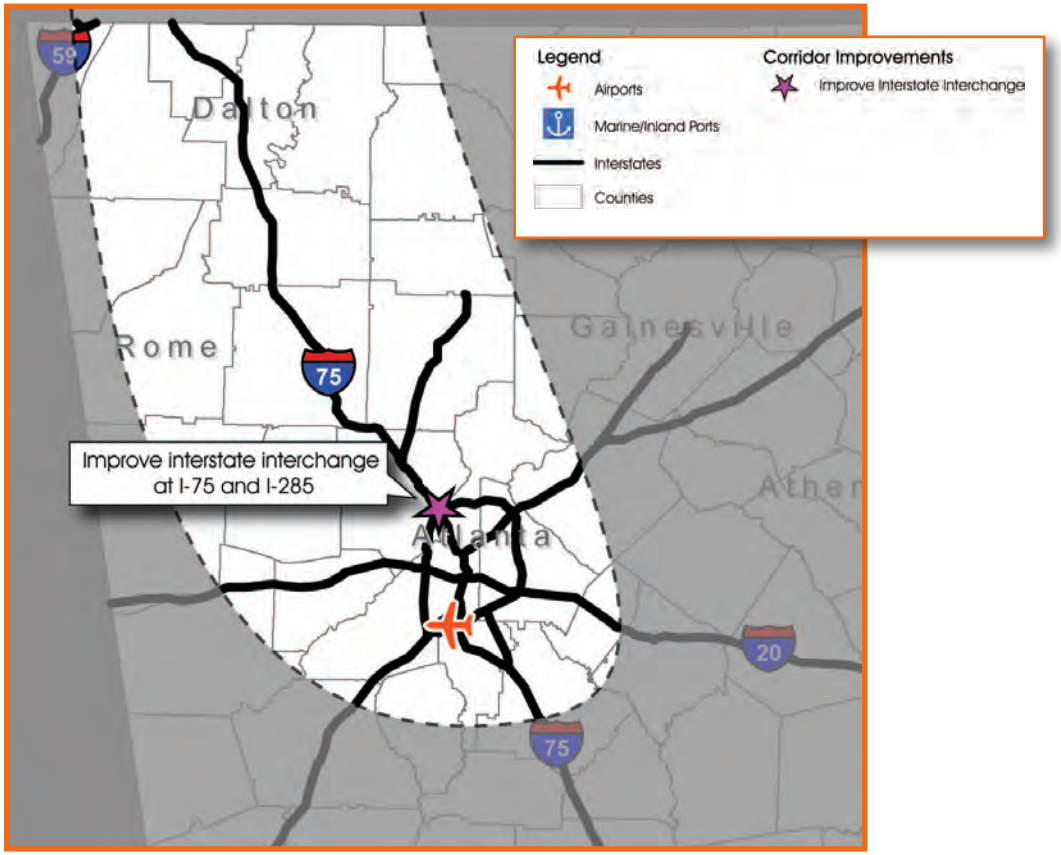
The Interstate interchange at I-75 and I-16 has operational deficiencies that need to be improved to ensure seamless traffic flow along this corridor.

There also will be the need for enhancements to the last-mile road connectors nearby the Port of Savannah as the port continues to expand. In Atlanta, developing a truck-friendly lane between the Austell intermodal rail yard and I-20 would improve the mingling of truck and auto traffic along the current multimodal roadway.

Return on Investment for Savannah to Atlanta Corridor Recommendations

Recommendation	Cost ($ million)	Estimated Increase in Georgia GSP ($ million)	Estimated Increase in Employment	Return on Investment
Add One Lane of Capacity between Macon and Atlanta Improve I-75 at I-16 Interchange Improve I-95 at SR 21 Interchange Improve I-95 at I-16 Interchange Improve Last-Mile Connectors for Savannah and Atlanta	1,950	9,100	2,426	4.7





Atlanta to Tennessee Corridor – Gateway to the Midwest

This corridor connects the Atlanta metropolitan region to Tennessee and to states further north and in the Midwest. The State's highest truck volumes are along this corridor with over 25,000 trucks daily on I-75 just north of Atlanta. While there is significant traffic in the metropolitan Atlanta portion of this corridor, the six lanes of traffic in the long-haul portion of the corridor provide sufficient capacity for continued growth; thus adding mode corridor-wide Interstate capacity is not cost-effective at this time.

The primary freight-related highway improvements needed in this corridor is to enhance the Interstate interchange at I-75 and I-285 northwest of Atlanta. The American Transportation Research Institute (ATRI) recently ranked this interstate interchange as the second worst truck bottleneck in the Atlanta metropolitan region, and the 20th worst truck bottleneck in the country.

Atlanta to South Carolina Corridor – Gateway to Mid-Atlantic and Northeast

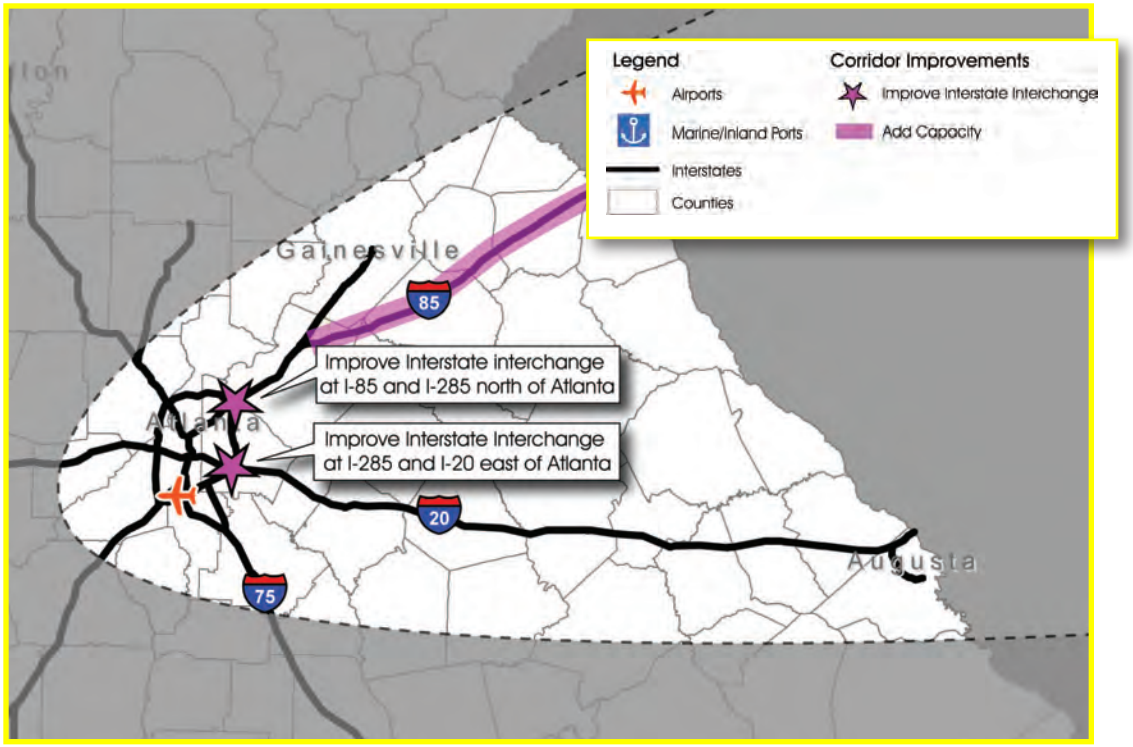
This corridor provides an important connection between Georgia and several states in the Mid-Atlantic and the Northeast. I-85 has the highest truck volumes of any long-haul corridor in Georgia that is only four lanes. The long-haul corridor will require an additional lane of capacity in each direction to ensure that congestion does not impede the economic development that is forecast for this corridor.

The I-20 corridor is also four lanes between Atlanta and South Carolina, but it has much lower truck and auto volumes than I-85, and it is forecast to have sufficient capacity through 2050.

Interstate interchange improvements are needed at both the I-85/I-285 interchange northeast of Atlanta and at I-285/I-20 east of Atlanta. The American Transportation Research Institute recently ranked the I-285/I-85 Interstate interchange as the worst truck bottleneck in the Atlanta metropolitan region, and the ninth worst truck bottleneck in the country.

Return on Investment for Atlanta to South Carolina Corridor Improvements

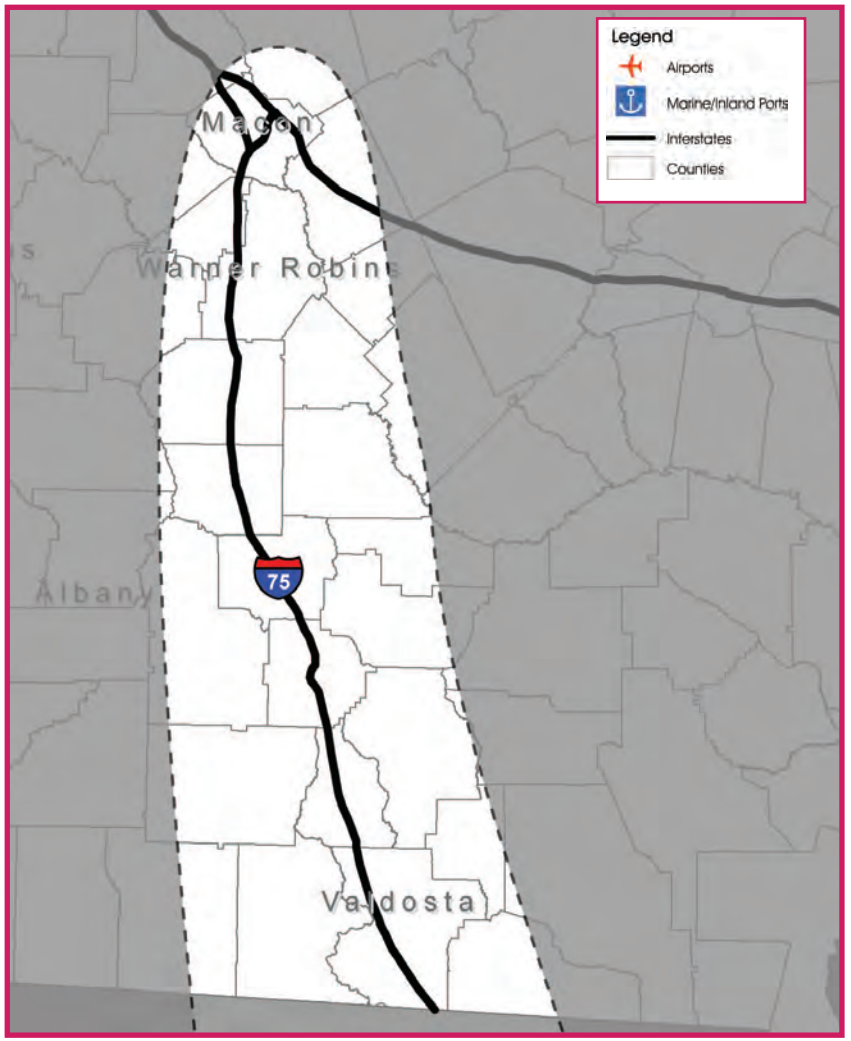
Recommendation	Cost ($ million)	Estimated Increase in Georgia GSP ($ million)	Estimated Increase in Employment	Return on Investment
Add One Lane of Long-Haul Capacity on I-85 between Atlanta and Georgia State Line with South Carolina Improve Interstate Interchange at I-85 and I-285 North of Atlanta Improve Interstate Interchange at I-285 and I-20 East of Atlanta	1,400	7,200	1,801	7.3



Macon to Florida Corridor – Connection to Fourth Largest Economy in the U.S.

Georgia's gateway status to Florida is achieved primarily through the use of this corridor. This corridor connects the Atlanta region to its largest single state trading partner, Florida. Trade with Florida represents 20 percent of all the truck tons between Atlanta and locations outside of Georgia.

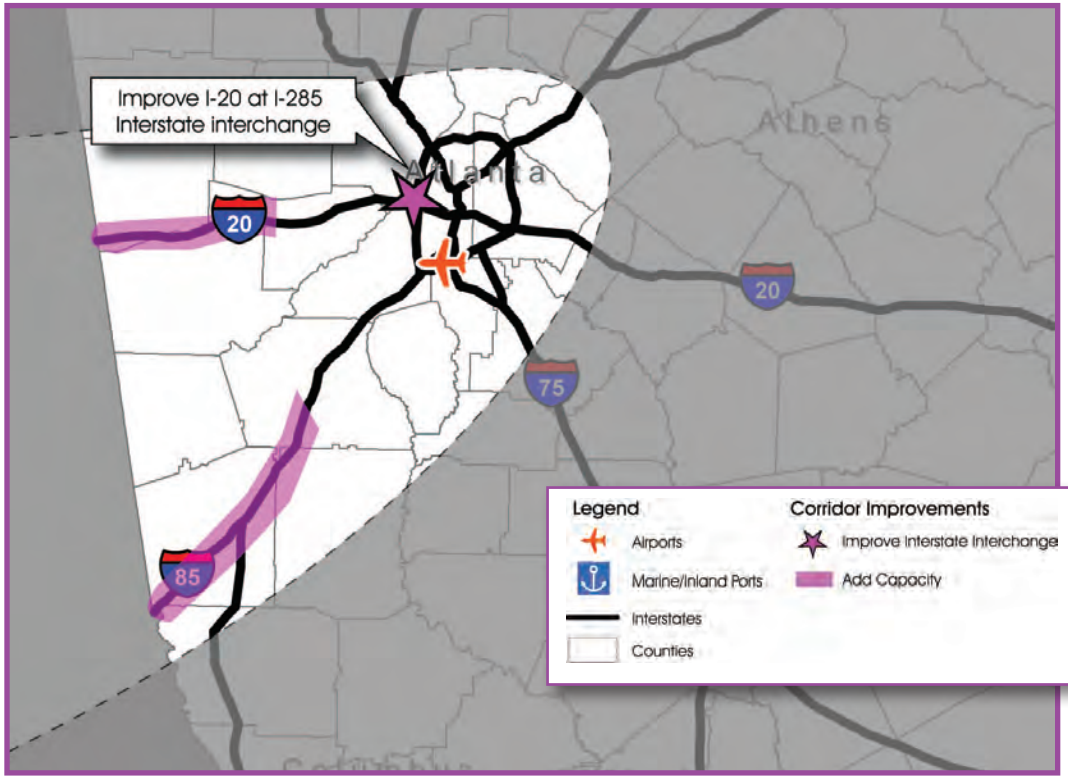
I-75 between Macon and Florida is currently six lanes, and although growth is forecast, it has sufficient capacity to accommodate truck activity over the long-term. There are no major highway capacity-adding improvement projects recommended in this corridor.



Atlanta to Alabama Corridor

This is Georgia's primary east-west corridor connecting Atlanta to Alabama and points further west. The long-haul portions of both I-20 and I-85 are only four lanes. To support economic development along the corridor and trade between Georgia and Alabama, these two long-haul corridors will require additional capacity on its current four-lane section to ensure that the corridors are free of congestion.

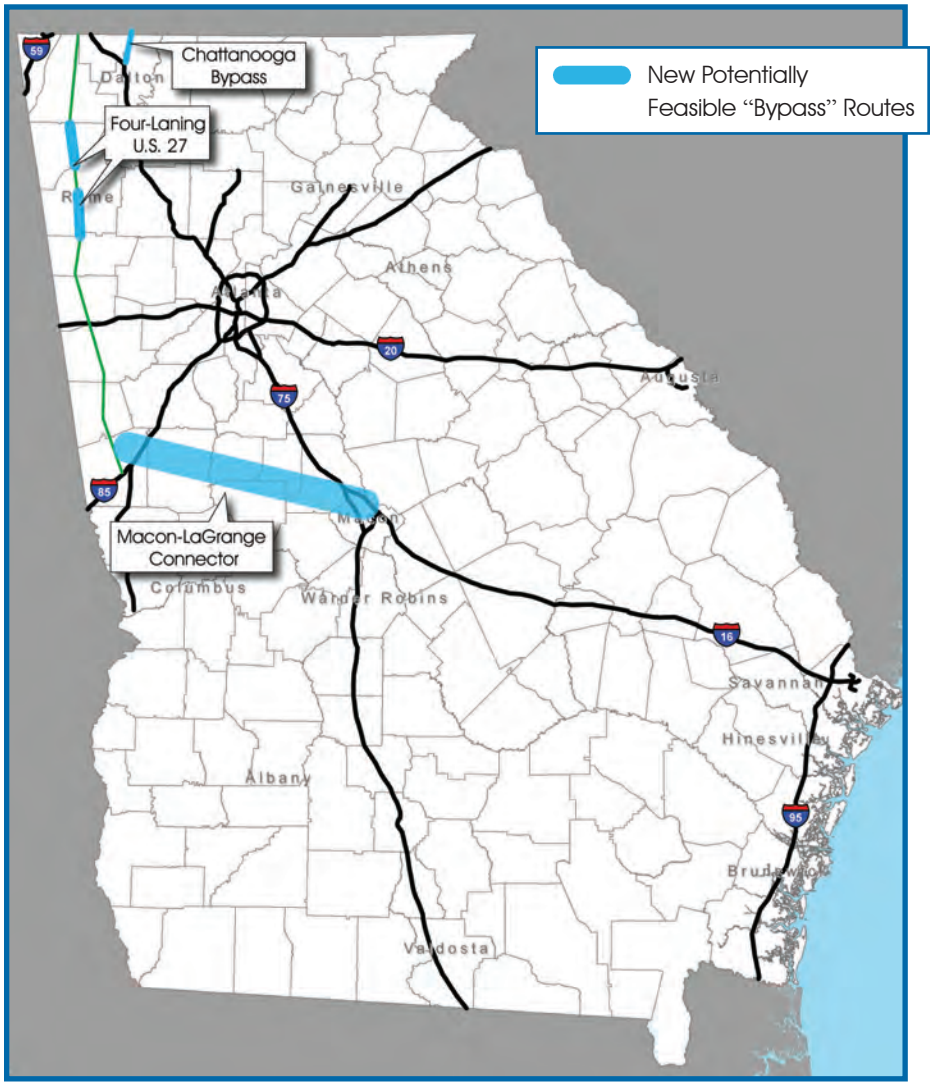
The Interstate interchange on I-20 at I-285 west of Atlanta also has been noted by freight stakeholders as a significant safety issue for trucks and is recommended for improvements. Several trucks have overturned attempting to connect between these two Interstates. ATRI has also noted that this is the third worst truck bottleneck in Georgia. Therefore, this Interstate interchange is considered to be both a truck safety and truck congestion problem.



Return on Investment for Atlanta to Alabama Corridor Improvements

Recommendation	Cost ($ million)	Estimated Increase in Georgia GSP	Estimated Increase in Employment	Return on Investment
Improve I-20 at I-285 Interstate Interchange Add One Lane of Long-Haul Capacity on I-85 and I-20 between Atlanta and Alabama to the Current Four-Lane Segment	2,000	9,800	2,443	4.0

Map of "Bypass" Alternatives



"Through" Corridors

Nearly 9,000 trucks per day are estimated to travel between South Carolina and Florida. Through truck flows are truck trips that have both their origin and destination outside of Georgia, but have a travel path that utilizes Georgia's highway infrastructure. Georgia's "corner store" location generates high levels of through truck flows, particularly trucks going to and from Florida. Nearly 9,000 trucks per day are estimated to travel on I-95 from Florida to South Carolina, and nearly 5,000 trucks per day are estimated to travel on I-75 between Florida and Tennessee. The largest east-west through truck volume is estimated to be roughly 3,000 trucks that travel the general corridor between I-85 at the Georgia-South Carolina state line and I-20 at the Georgia-Alabama state line.

Several "bypass" alternatives were analyzed. The Chattanooga bypass along with the Macon-Lagrange-U.S. 27 improvements were found to have the highest potential return on investment to the State. The Macon-Lagrange portion of this improvement was found to also have significant benefits for east-west traffic moving through the State. This would include traffic moving between Savannah, Macon, and Augusta to Alabama or points further to the west.

New alignment western and northern bypasses around Atlanta were found to have significantly lower (but still positive) returns on investment. These bypasses should be further considered only if growth in the Atlanta region returns to the 80s and 90s. While the Plan found an average of 30 percent of all trucks entering Georgia are "through" trips with the remainder destined for somewhere inside the State, the percent of "through" trips near metro Atlanta was found to be lower. Metropolitan Atlanta is the destination for a large percentage of these trucks.

Return on Investment for Bypass Recommendations

Improvement Project	Cost ($ million)	Increase in GSP	Increase in Employment	Return on Investment
Chattanooga Regional Bypass	800	6,400	1,681	10.7
Macon-LaGrange Connector Combined 4-laning Remaining Portion of U.S. 27 North of LaGrange	480	11,300	2,738	18.0

Smaller Urban and Rural Highway Corridors

There are several smaller urban and rural corridors that are important for moving freight, such as the Savannah River Parkway which connects Augusta to Savannah, the Fall Line Freeway which connects Macon to Augusta via the Kaolin Belt, and the South Georgia Parkway which connects Albany, Tifton, and Brunswick. An analysis of smaller urban and rural corridors in Georgia indicated that there are three GRIP corridor improvement projects, still to be completed, that should be considered as part of the Georgia Freight & Logistics Action Plan.

The first project is completing the 4-laning of U.S. 84. This corridor currently has some of the highest truck volumes off of Georgia's interstate system, and it serves east-west truck activity that connects with Brunswick and Savannah.

The second project is 4-laning U.S. 133 between Albany and Valdosta. This corridor provides connectivity for freight flows from the recently-expanded military facilities in the Albany area to I-75 in Valdosta.

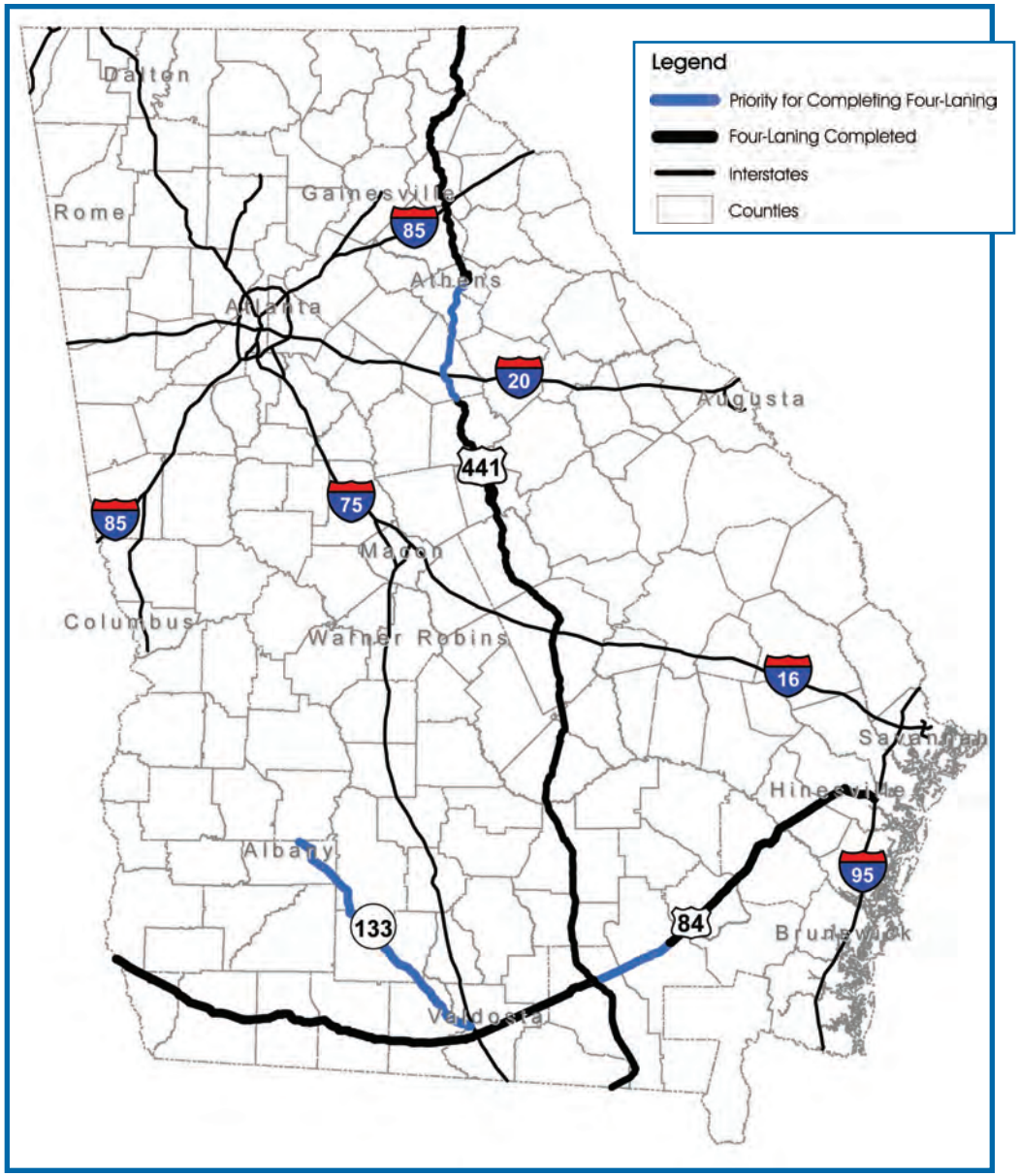
The third corridor is 4-laning U.S. 441 between I-85 and I-16. This corridor provides alternative access between Central Georgia and I-85, which allows the shippers in Central Georgia to more easily connect to markets in the I-85 corridor in the Carolinas, Mid-Atlantic, and Northeast.

This plan also conducted an analysis of truck-involved crashes in Georgia that identified head-on collisions involving trucks to be the most severe vehicle crashes. These types of crashes occur most frequently in more rural locations that have relatively high truck volumes and no median barrier between opposing traffic flows. Improving median barriers in these instances may be a feasible means of reducing the severity of these crashes in smaller urban and rural areas.

Return on Investment for Smaller Urban and Rural Highway Corridor Recommendations

Recommendation	Cost ($ million)	Increase in GSP	Increase in Employment	Return on Investment
Complete 4-Laning of U.S. 84, Complete 4-laning of SR 133, complete 4-laning of U.S. 441 between I-16 and I-85	522	2,180	508	4.2
Add Median Barriers on High Truck Volume, Non-Interstate Roads	50	n/a	n/a	n/a

Freight-Focused GRIP Corridors to Improve



Return on Investment for Recommended Air Cargo Improvements

Improvement	Cost ($ million)	Benefit to Georgia
Additional Air Cargo Warehouse Space at Atlanta Airport	15 to 20	Remove landside constraint to growth of air cargo in Atlanta.
Extend Runway at Southwest Georgia Airport in Albany	10	Allow for a wider range of air cargo planes to access this airport and transport goods in a more cost effective process.

Air Cargo Strategy

The Hartsfield-Jackson Atlanta International Airport is the 11th busiest air cargo airport in the U.S. The airport has continued to add all cargo airlines to their air cargo options. Additionally, the recent purchase of Airtran by Southwest Airlines will add to current air cargo volumes. To accommodate near-term growth prospects for air cargo, additional warehouse space will be needed to increase the ability to store cargo on airport property.

The Southwest Georgia Airport in Albany has the second busiest air cargo operations in Georgia due primarily to the UPS operations that occur at this location. This airport needs a longer runway to allow for larger planes (both passenger and air cargo) to utilize the facility.

Summary of Recommendations in Freight & Logistics Action Plan

By investing $18 to 20 billion over the next 40 years in freight improvement projects the State could generate over $65 billion in additional economic output and thousands of new jobs. The table below provides a summary of the benefits and costs of freight improvement projects in the Georgia Freight & Logistics Action Plan.

Summary of Recommended Improvements

Mode	Summary of Improvements	Cost ($ millions)	Increase in Gross State Product ($ millions) or Other Benefits
Port	Deepen Savannah Harbor	550	2,800 in transportation cost savings
	Develop Jasper Port	4,000	9,000 in additional tax receipts for Georgia and South Carolina
Rail	Line Haul Expansion Expansion of Terminals Increase Weight Limits and Vertical Clearances	4,000 to 6,000	13,200 to 19,800
Highway	Add Capacity to Select Long-Haul Corridors Improve Congested Interstate Interchanges Develop Key Bypass Routes Improve Key Rural Freight Corridors Improve Last-Mile Connectors in Savannah and Atlanta Safety Improvements	9,542	52,480
Air Cargo	Add Warehouse Capacity in Atlanta Lengthen Airport Runway in Albany	15 to 20	Additional air cargo capabilities
TOTALS		18,017 to 20,112	65,680 to 72,280[a]

[a] Increase in GSP does not include benefits from marine port and air cargo improvements.

Summary of Funding Options

Identifying funding for freight projects is a challenge and may come from several different sources:

- Several port-related projects have been funded by the Harbor Maintenance Trust Fund. However, the appropriations from this fund have been inadequate to fund the full range of national port needs. Therefore, major harbor deepening projects such as the proposed Savannah harbor deepening have more often been funded through general funds at the Federal and state level. The State of Georgia has committed a portion of the funds required for deepening the harbor, while the remainder of these funds are expected to be provided by the Federal government based on the national need to expand the export and import capabilities of the Savannah port complex.
- The vast majority of freight railroad projects will be funded by the private sector. However, the initial round of the American Recovery and Reinvestment Act provided over $100 million for the development of the Crescent Corridor primarily focused on developing new intermodal rail yards in Birmingham and Memphis. There may be the potential for future Federal grant-related sources to be targeted towards freight rail as well, particularly as improvements are made to accommodate passenger rail service on freight rail lines.
- Highway projects that benefit freight are eligible for the same funds as other highway program projects. They often require a financial plan that includes a variety of funding sources. Many states utilize a mix of motor fuel taxes, sales taxes, parking fees, license tag fees, registration fees, tolls, and public-private partnerships to fund highway projects. However, Georgia's share of non-motor fuel tax revenues has historically been relatively low compared to other states in the U.S. Recently, Georgia's State Legislature passed the Transportation Investment Act (TIA) of 2010 which has the potential to increase funding for transportation in Georgia by over $18 billion over the next 10 years.
- Air cargo projects are also paid for through a combination of Federal, state, and local funding. Development of on-airport warehouse building facilities are typically paid for by the airport operators (e.g., the City of Atlanta for the Atlanta airport) and then reimbursed through rental contracts over time. Runway extensions, such as the one needed in Albany, are funded through a combination of FAA and local funding. However, outside sources of funding are also possible, and can accelerate projects that are considered to be critical.

Several of the projects on these lists coincide with the recommended freight improvement projects listed in this Freight & Logistics Action Plan. Therefore, the passage of TIA throughout the State will also be a key driver in the implementation of many projects recommended by the Freight & Logistics Action Plan.

Transportation Investment Act of 2010

In response to historically low levels of funding for transportation projects in Georgia, the Georgia State Legislature passed the Transportation Investment Act (TIA) of 2010. This plan creates 12 special tax districts in Georgia, and gives each district the ability to levy a one percent sales tax for up to 10 years to fund transportation projects in its region. The sales tax must be approved by majority vote in each district based on an election scheduled to be held in July of 2012. The money raised in each district must be used on transportation projects in the district. It is estimated that if the TIA project lists are passed in all 12 Georgia districts that over $18 billion of new transportation funding will be generated over the next 10 years.

Each of the 12 districts has identified a list of projects that will be included on the ballot later this year. Approximately $500 million of the projects on the TIA project lists overlap with the recommended freight improvement projects from the Freight & Logistics Action Plan. The passage of the TIA project lists throughout the State will accelerate the implementation of the Freight & Logistics Action Plan. However, the vast majority of the funding for these recommendations will need to come from other sources.

Freight & Logistics Action Plan Timeline

The implementation of the freight improvement recommendations will depend on the availability of funding to support the freight program. Based on economic impact analysis and feedback from the private sector, a timeline for development that matches the projects to the needs was developed and is shown below in table format.

		2012-2020	2021-2030	2031-2040	2041-2050
Marine Port Improvements	Deepen Savannah Harbor	●			
	Develop Jasper Port		●		
Rail Improvements	Line Haul Expansion	●	●	●	●
	Intermodal and Carload Terminal Expansion	●	●	●	●
	Increase Weight Limits and Vertical Clearances	●	●		
Interstate Interchange Improvements	I-285 @ I-75 North		●		
	I-285 @ I-85 North	●			
	I-285 @ I-20 West	●			
	I-285 @ I-20 East		●		
	I-75 @ I-16 in Macon	●			
	I-95 @ I-16 in Savannah	●			
	I-95 @ SR 21 in Savannah	●			
Long-Haul Highway Corridor Improvements	I-85 between Atlanta Metro and South Carolina	●	●		
	I-75 between Atlanta Metro and Macon metro			●	
	I-85 between Atlanta Metro and Alabama				●
	I-20 between Atlanta Metro and Alabama				●
Highway Bypasses	Chattanooga Metro Bypass		●		
	Macon-LaGrange – U.S. 27			●	
Rural and Smaller Urban Highway Corridor Improvements	Complete 4-laning U.S. 84	●			
	4-laning SR 133 from Albany to Valdosta		●		
	4-laning U.S. 441 fro I-85 to I-16		●		
	Safety Improvements	●			
Air Cargo Improvements	Additional Air Cargo Warehouse at Atlanta Airport	●			
	Extend Runway at Southwest Georgia Airport in Albany	●			

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